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# AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT

## SUPPLEMENTAL REPORT FOR FISCAL YEAR 2013

**JUNE 2014**

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# AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT

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**USAID Moldova - MCC Moldova  
Agricultural Competitiveness & Enterprise Development Project  
Supplemental Report for Fiscal Year 2013**

**October 1, 2012 – September 30, 2013**

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## I. INTRODUCTION & SUMMARY

The ACED contract between USAID and Development Alternatives, Inc. (DAI) was signed on March 23rd, 2011 and implementation began in early April of 2011. The first six months of project activity (Apr – Sep, 2011) were focused on start-up, which included recruitment, the initial Work Plan, survey work and the initial training activities. By the end of Fiscal Year 2011 the project team was in place and the project deliverables were on schedule. During Fiscal Year 2012 the project really came into its stride and the full implementation of each of the project components, including the activities and sub-activities had been achieved. The project also managed to fully launch Component Two in Transnistria, and by the end of Fiscal Year 2012 this element was operating as intended.

Fiscal Year 2013 marked an expansion of the level and scope of project activities, with each of the project elements implementing many more activities than was the case in FY12. The Marketing activity completed its first major trade show in September 2012, The Training activity was in full swing, the Value Chain support activity was providing assistance on financing and post-harvest handling and the Enabling Environment activity had provided new lab equipment to Moldova's national SPS lab. At this point the project had recorded some significant achievements and it was beginning to make progress on achieving the PMEP performance targets that were agreed to at the start of the project.

### Component 1 – Growing Moldovan HVA Sales & Exports

This component is the core of the ACED project and the bulk of the activities and resources available to the project are devoted to this component. This component has four Activity areas, focusing on various elements of the value chains, and the key accomplishments in each of these activity areas in FY13 can be summarized as follows:

#### Activity 1.1: Develop & Expand Market Opportunities

The Marketing Team continued to prepare end-market studies and built on the launch of the process to get Moldovan producers traders involved in exhibiting at international trade shows. Following a successful Moldova exhibit at the World Food Moscow show in September 2012 the project assisted a group of producers to exhibit at the prestigious Fruit Logistica trade show in February 2013 (see image at the right) and at World Food Moscow in September 2013.



These events were instigated by, and received their primary support from, the ACED project but the UNDP Aid for Trade project provided some financial assistance for these shows as well. These booths were organized as “national Moldovan booths” and all of the producers exhibited their products under a common banner – *Moldova – taste makes the difference*. Based on the success of these shows, and the significant number of trade and marketing leads that have been established, the Marketing Team have planned an even more

ambitious program for FY 2014. This program will include three trade shows in February 2014 (Fruit Logistica, ProdExpo Moscow and GulFood Dubai) as well as the most important show of the year – World Food Moscow in September.

### Activity 1.2: Upgrade Production to meet Buyer Requirements

This Activity is focused on increasing the ability of growers, packers and traders in Moldova to meet the expectations of both domestic and international buyers of fresh fruit and vegetables. Over the course of FY13 the project implemented the second year of its annual Training and Demonstration Activities program, which provides technical assistance seminars and other training activities at the producer level. In addition to the production of manuals, guides and the monthly bulletins the Training Team implemented a full program of technical training seminars and demonstration activity field days. The team also organized and implemented eleven international Study Tours, for apples to Poland, Italy and Ukraine, for Greenhouses, vegetables and cabbage to Ukraine, for Cherries to Bosnia, for Table grapes to Spain, for Peaches to Italy, for Plums to Serbia and for Hydroponic vegetable production to Romania. The Training Team also brought four international technical consultants into Moldova to provide assistance to the program and farmers.

### Activity 1.3: Upgrade the Moldovan HVA Value Chain

The objective of Activity 3 is to identify and support entities across the HVA value chain that will drive the upgrading of the value chain infrastructure in order to ensure that high-quality produce is efficiently handled, sorted, graded, stored and then transported from the farm gate to the end market. The main element of Activity 3 is the development of the Value Chain Support Center which is developing a network of private business service providers which can provide technical assistance to value chain actors in Moldova. During FY13 the Value Chain team continued to develop and strengthen the Value Chain Support Center, mainly via continued additions and improvements in the VCSC web site known as AGROCONNECT. This web site is a “one-stop-shop” for farmers, producers and processors seeking technical assistance with their businesses, and over the course of FY13 the VCSC assisted many business operators with business plans, feasibility studies, loan applications and other documents. The VCSC has been instrumental in assisting the MCC’s Access to Agricultural Finance activity get loan funds out to interested farmers.



### Activity 1.4: Improve the Enabling Environment for HVA

The objective of Activity 4 is to improve the competitiveness of the HVA value chain in Moldova, and increase access to markets, by creating a more market-responsive policy and regulatory environment. There are two sub-activities within this component of the project: Promote policy reform, and Establish SPS systems and procedures. With the policy reform element ACED has completed a number of studies and reports that have become the basis for regulatory advocacy programs, focused on the following regulatory issues:

- ✓ Compulsory plant variety registration for varieties not grown in Moldova;

- ✓ Import taxes for key inputs (insulation panels, greenhouses and cardboard);
- ✓ Costly and complicated export certification procedures.

The ACED project has launched advocacy campaigns, in collaboration with sub-contractors and the relevant industry associations, to address these issues. Over the course of FY13 some progress has been made on these issues and the program will continue in FY14.

Within the SPS element of this component, following the provision of a significant amount of laboratory equipment for the centrally phytosanitary lab in FY12, the project has continued this program with two technical training programs, one for the lab staff and one for the field inspectors at the border stations and the internal control points. At the end of FY13 the ACED project was launching the next phase of the process, assistance to the laboratory to enable it to become certified in the ISO 17025 standard.

## **Component 2 – Enterprise Development in Transnistria**

This component of the ACED project got off to a late start due to restrictions on access to Transnistria and actual implementation only began in early 2012. Despite this delay the activities in Component 2 have now taken off and following the initial implementation of events and activities in FY12 the program has been in full swing in Fiscal 2013. The basic strategy for C2 was to expand HVA activities developed under C1 into Transnistria, while maintaining select targeted activities to support micro, small and medium scale enterprises (MSMEs) and business service provider development more broadly. This strategy has worked well for C2 today, and the ACED project will be continuing this strategy for FY14 and the remainder of the project.

### *Activity 2.1: Development of BSPs in Transnistria*

Following an initial meeting with a number of Transnistrian Business Service Providers (BSPs) to present the project the ACED project has developed a small core group of BSPs that are receiving assistance and will most likely be project clients for the remainder of the project. Over the course of FY13 ACED provided them with technical training seminars (see image at the right of a typical training seminar which took place in Tiraspol for selected BSPs) and some other training opportunities, and at the end of the Fiscal Year it was apparent that marketing assistance was a critical shortcoming for the BSPs in Transnistria and ACED will focus on that area in FY14.



### *Activity 2.2: Support Development of MSMEs in Transnistria*

Based on the capacity developed and the experience gained with Component 1 the ACED project was able to get off to a strong start in establishing professional relationships with the Transnistrian private sector. In FY12 the project organized some technical seminars for the farmers and producers in Transnistria, based on the value chain analyses and end market studies, and these served to demonstrate the value that ACED assistance can bring to the

larger exporters and farmers. During FY13 the project continued with the technical seminar program and then launched a series of demonstration activities on the Left Bank. Transnistrian farmer have also been included in the international study tour program in FY13 and in FY14 they will be included in the trade shows planned for early 2014.

### **Cross-Cutting Activities – Gender & Marginal Groups**

During Fiscal Year 2013 the ACED project began laying the groundwork for a national scale program to support women who are involved in agriculture and food production. In early 2013 ACED staff conducted meetings with rural women to learn of their needs and desires regarding assistance, and then a program to create five regional Women in Agriculture Networks was developed. ACED solicited bids from interested BSPs and NGOs for the implementation of this program, and the program was launched at the end of FY13.



## **II. PROJECT ACCOMPLISHMENTS**

The activities undertaken by the ACED project are organized under the two Components of the project, each of which has distinct goals and objectives. Component One, which is by far the largest of the two (representing 85% of project funding) seeks to assist Moldovan farmers and processors to become more competitive with their High Value Agricultural (HVA) production and to expand sales in new markets, particularly exports. Component Two is focused on the Transnistrian region of Moldova (referred to as the Left Bank) and activities in this component seek to foster more rapid development of private enterprises (particularly micro, small and medium scale enterprises) and to create a network of private business service providers within the Left Bank that can support the private sector. The main accomplishments of the project over the course of FY 2013 are listed below organized by Project Component and Sub-Activity as was laid out in the Project Contract.

### **COMPONENT 1: GROWING MOLDOVAN HVA SALES & EXPORTS**

With Component 1 the ACED project seeks to expand sales and export opportunities for Moldovan HVA producers and traders via a wide variety of technical assistance and training activities. These activities include participation in international trade shows, assistance with packaging & labeling, developing trade linkages and assistance to fresh produce retailers. Details regarding the activities for the past fiscal year are included here.

#### **ACTIVITY 1: DEVELOP & EXPAND MARKET OPPORTUNITIES**

Over the course of the past fiscal year the ACED Project's Marketing Team completed the following tasks, activities and events:

##### Sub-Activity 1.1(a): Conduct End-Market Studies & Identify Buyers

- Two members of the ACED Marketing Team visited Warsaw in March to conduct a brief End-Market Study (EMS) of the Polish market for table grapes and sweet cherries.
- The ACED Marketing Team, in collaboration with the UNDP financed Aid for Trade (Aft) Project, planned, organized and implemented a national booth for Moldova at the Fruit Logistica trade show in Berlin Germany in February. The logo and slogan "Moldova - Taste makes the difference" (see photo at the right) developed by ACED was prominently displayed.
- Following the Fruit Logistica show, the Marketing Team paid a visit to the GulFood show in Dubai in late February to establish linkages and develop more inward buyer visits.
- The World Food Moscow show took place in September 2013, with the ACED team arriving in Moscow on the 14<sup>th</sup> with the same booth as the one for Fruit Logistica.





### Sub-Activity 1.1(b): Develop a Network of Buyers & Trading Partners

- The ACED team presented “Marketing Aspects of Fruit Exports to Russia” to a receptive audience at the International Trade Exhibition of Agricultural Products, Equipment, and Technologies in Chisinau took place on the 24<sup>th</sup> - 27<sup>th</sup> of October 2012.
- On the 22<sup>nd</sup> and 23<sup>rd</sup> of November 2012 the ACED marketing team visited Fresh Food Russia, a business forum that was held in Moscow for fresh food producers and retailers, and Fresh Produce Ukraine, an exhibition held the 28<sup>th</sup> through the 30<sup>th</sup> of November in Kiev on fresh produce supply and trade.
- ACED officially recently developed a new logo and slogan (“Taste makes the difference”) and presented it at “Fruit Sector Development,” a regional conference for innovative technologies and market trends that took place on December 7, 2012 in Chisinau.
- In collaboration with the Moldovan Chamber of Commerce, ACED organized a joint Moldovan and Russian economic forum to promote collaboration between these countries.
- The ACED Marketing Team made a presentation in Chisinau on February 19<sup>th</sup> 2013 regarding the latest trends in the regional table grape market at the annual general meeting for the members of the Moldovan Table Grape Association.
- On March 8<sup>th</sup> 2013 the ACED Marketing Team hosted a round table discussion with a small group of tomato growers at the ACED Kentford office regarding the establishing of a producer group.
- Following up on an assignment completed in 2011, DAI STTA consultant Don Harris returned to Moldova to conduct some retail produce marketing training (see photo above) for the Linella and IMC retail chains in Chisinau.
- In June 2012 the ACED Marketing Team, at the request of the Gagauz Regional Department of Agriculture, provided information to them regarding potential buyers for peaches.



Moldovan Prime Minister Vlad Filat discusses the marketing campaign “Taste makes the difference” with Rodica Miron from the USAID Mission in Chisinau.



### Sub-Activity 1.1(c): Promote FDI and Domestic Partnerships in Moldovan HVA

- Sub-contractor Pro-Consulting delivered the Study on Transport Services for the Export of Fresh Fruit and Vegetables in Moldova, which was requested by the ACED marketing team. This information will help the marketing team, and the companies and producers that ACED assists, to better understand the structure and working methods of transportation companies in Moldova and the price structure for the quotes they provide for key transportation routes.
- During the month of May 2013 the ACED project arranged for independent consultant Tom Tjerandsen to make a short visit Moldova and assist with an analysis of potential opportunities for creating a national F&V export promotion association along the lines of what has been developed in Chile over the past 25 years. Tjerandsen and the team also met with seven of the largest walnut producers and exporters in Moldova about the benefits of an association, and what should be considered as an optimum start-up in the next year or two when new production comes on-line.
- In June the ACED project launched the Inward Buyer Visit program, and during the quarter the project hosted nearly a dozen buyers from six separate companies and the project organized intensive two and three-day visit programs for each of the companies that sent buyers. The Marketing Team is using the list of “Key Marketing Partners” (KMP), which includes approximately 50 producers and companies from both banks of the Nistru that can offer various fruit and vegetable products, to identify and select appropriate local sites for these visitors.



#### Sub-Activity 1.1(d): Other Moldovan HVA Marketing Related Activities

- In April 2013, representatives of the Marketing Team met with Ministry of Agriculture representatives from their information department to discuss the implementation of a pilot project on Electronic Data Collection from farmers, which would be used for the issuance of certifications for produce exports.

### **ACTIVITY 2: UPGRADE PRODUCTION TO MEET BUYER REQUIREMENTS**

The objective of this Activity within Component 1 is to increase Moldovan farmer HVA incomes by lowering production costs, increasing marketable output, increasing the quality of their production and capturing better prices as producers adopt new practices to better satisfy market demands. This Activity carries out training & demonstration activities designed to prepare producers, farmer-based groups and cooperatives to respond competitively to market opportunities. The main deliverables and reports completed as part of the Activity 2 program are as follows:

1. A handbook on greenhouse design

2. Three monthly apple bulletins
3. Nine monthly tomato bulletins

The main technical assistance activities, undertaken as part of the two Sub-Activities included in Activity 2 during FY 2013 are presented below.

Sub-Activity 1.2(a): Upgrade Production to Meet Market Requirements

- ACED and national consultants conducted seminars on “Setting up New Apple Orchards and Winter Preparations” for 102 growers in four communities.
- The Production Team delivered seminars on “Setting up New Table Grape Vineyards and Winter Preparations” for 204 table grape producers in eight communities.
- The team presented seminars on “Greenhouse Construction in the Republic of Moldova” for 175 table grape producers in seven communities, including one community in Transnistria.
- The ACED team held two field days on “Advanced Technologies of Table Grape Storage: Forced Precooling and Using Sulfur Pads” for 90 cold store operators and table grape producers in the communities of Stauceni and Manta.
- The ACED Production Team organized a study tour to Italy titled “Advanced Post-Harvest and Handling Technologies and Facilities for Apples” for 18 participants, including apple producers, national consultants, and ACED staff.
- Several training modules were developed by ACED consultants and were presented to participants at the following training events during the reporting period:
  1. “New Apple Orchards and Winter Preparations”
  2. “New Table Grape Vineyards and Winter Preparation”
  3. “Greenhouse Construction in the Republic of Moldova”
- Between January 15<sup>th</sup> and the 24<sup>th</sup>, the Training Team organized a series of five workshops for 79 participants in vegetable production communities regarding the use of soil testing results.
- The ACED Training Team, in partnership with Irrigata Crops LLC, organized two Horticultural Forums to 137 participants titled “Advanced Technologies and Equipment for the 2013 Production Season” which were





held in Edinet and Chisinau.

- ACED partnered with new RTSPs (Regional Training Service Providers) for the field training program in 2013, and during the first quarter the program organized six seminars to 183 participants on Apple Tree Pruning in Intensive Orchards.
- The ACED Training Team organized three seminars on Table Grape Pruning and Management that were presented to 108 growers.
- ACED organized the first two seminars on Tomato Seedling Production with the participation of 62 growers in Colibasi and Gura Bicului.
- A seminar on Cucumber Seedling Production was held in Singerei Noi with the participation of 39 vegetable growers.
- ACED organized three seminars on plum pruning and tree management with the participation of 100 farmers, four seminars on peach pruning and tree management for 110 participants; three seminars on Sweet Cherry Tree Pruning.
- The program organized three seminars on cucumber seedling production for 85 vegetable growers.
- In partnership with project client Darurile Basarabiei LLC, the ACED training program organized three industrial (stone fruit value chain) forums on the Control of Late Spring Frosts in Stone Fruit Orchards in Stefan Voda, Cahul and Comrat. These three events brought together a total of 83 fruit and table grape producers.
- Between January 9<sup>th</sup> and the 15<sup>th</sup>, in partnership with the Moldova Fruct Association, the ACED project organized a Study Tour to Poland on Modern Technologies in Apple Production and Post-Harvest Handling.
- From February 27<sup>th</sup> to March 1<sup>st</sup> the ACED Training Team organized a study tour for 15 Moldovan vegetable growers to the conference titled “Greenhouse Industry 2013 in Ukraine”.
- Several new technical training modules were presented to participants at the following training events:
  1. “Plum Pruning and Tree Management”
  2. “Peach Pruning and Tree Management”
  3. “Sweet Cherry Pruning and Tree Management”
  4. “Cucumber Seedling Production”



- During the first quarter of project Year Three the ACED program hosted international STTA consultants on visits to Moldova for the following tasks:
  1. Dr. Lynn Long, from Oregon State University provided assistance to sweet cherry growers on orchard management and he will contribute to the preparation of a guide on sweet cherry production in collaboration with a local national consultant.
  2. Dr. David Picha from the Louisiana State University came to Moldova to design a packing and storage facility for fresh vegetables (in particular tomatoes) and to organize training sessions for specialized companies that design such facilities.

3. Dr. Greene from the University of Massachusetts offered technical assistance to apple growers in the use of chemical thinning agents, and provide advice and assistance to a local consultant who is leading this activity on the national level.
  4. Sergey Alba from Ukraine offered an on-site consultancy on cucumber production in protected and open field areas, delivering seminars for cucumber producers. Part of the effort will be dedicated to writing the Guide on Cucumber Production for Fresh market.
- During the month of January, the training team organized five workshops, on the use of soil testers and soil testing results, in vegetable production communities for a total of 79 vegetable producers.
  - ACED partnered with Irrigata Crops LLC to organize two Horticultural Forums titled, “Advanced Technologies and Equipment Available for the 2013 Production Season”, These events took place in Edinet and Chisinau and a total of 137 participants attended these two forums.
  - The ACED Training Team, in partnership with contracted RTSPs organized six seminars on Apple Tree Pruning in Intensive Apple Orchards that were dedicated to specific techniques that should be used for the current season in pruning and tree management. The seminars brought together 183 participants in the six locations where the seminars were presented.
  - The ACED Training Team began a series of sessions on IPM and Fertilization Systems for Apple Trees. The first session in this series was delivered with the participation of more than 30 apple growers from the Soroca region.
  - ACED organized three seminars on Table Grape Pruning and Vine Training for 108 growers, which presented the particularities of vine pruning for the coming production season.
  - ACED organized three seminars on Plum Tree Pruning & Tree Management for 100 participants; four seminars on Peach Pruning & Tree Management for 110 participants; three seminars on the Peculiarities of Sweet Cherry Tree Pruning; and three seminars on Cucumber Seedling Production for 85 vegetable growers.
  - In partnership with project client firm Darurile Basarabiei LLC, the ACED Training Team organized three industrial (for the fruit and table grape value chains) forums on the Control of Late Spring Frosts in Stone Fruit Orchards in Stefan Voda, Cahul and Comrat. These events brought together a total of 83 fruit and table grape producers.



Professor Lynn Long (2nd from Left) meeting with cherry growers at the ACED office in Chisinau.

- The Training Team organized an international study tour, which included participation at a Conference on Modern Technologies in Pomiculture, was organized by ACED for a group of apple growers. A group of thirteen apple farmers participated in this study tour that also visited a modern apple orchard in the Umani region of Ukraine.



- The Training Team also organized a study tour on Early Cabbage Greenhouse Technologies, to the Zakarpatye region of Ukraine, which included the participation by 37 greenhouse vegetable producers.
- During the month of May a group of 12 participants traveled to Bosnia on an ACED organized International Study Tour which was focused on Modern Sweet Cherry and Berry Production Technologies.
- During the month of July the ACED Training Team organized two seminars covering Open Field and Greenhouse Cucumber Production for 64 growers in the Singerei noi, and Toxobeni villages.
- Three Field Day Trainings were organized, covering the topics of (i) Installation of an Improved Design Greenhouse, (ii) Using the Frostbuster Technology equipment for frost protection in apple orchards, and (iii) Field Days on Using Weather Stations in Apple Orchards were held at demo activities sites in Toxobeni, Cotiujeni an Domuljeni villages. These events attracted the participation of more than 50 Moldovan HVA growers from these regions.
- One training session on Peach Varieties, Harvesting, Post-Harvest Handling and Pre-Cooling was delivered in Comrat with 15 apple growers from the region participating.
- In July the ACED Training Team organized four seminars on the topic of "*Plum Varieties, Fruit Harvesting and Precooling*" which attracted the participation of more than 80 growers in the Nisporeni, Ungheni nd Edinet raions, and in Transnistria.
- The Training Team, in collaboration with the relevant RTSP, organized two seminars on "*Peach Varieties, Fruit Harvesting and Precooling*". These seminars attracted 40 peach growers from the Tudora and Burlacu villages during the month of August.
- ACED organized one seminar on "*Harvesting and Post Harvest Techniques for Table Grapes*", with a special focus on new varieties of table grapes, in the Varzaresti village with the participation of 25 growers in August.
- Three Field Day Trainings covering the topic of "*Cover Film (Mulch) With Irrigation in Tomato Production*" were organized in the Pîrîta and Toxobeni villages. These events attracted the participation of more than 40 vegetable growers from these communities.



Apple farmers gather around the FrostBuster equipment during the field day held at Agrodenidan LTD in Cotiujeni for the demonstration of this frost protection



During the second quarter the Training Team organized five international study tours for Moldovan farmers involved with Table Grapes, Peaches, Plums and Vegetable production:

1. In July a group of 17 participants travelled to the Murcia region of northern Spain to participate in a study tour titled: Modern Table Grape Production Approaches and Technologies. The group included 10 farmers, two national consultants, the head of the Moldovan Table Grape association and the President of the Parliamentary committee on agriculture, and they visited a wide variety of sites, from seedling production to sorting, packing and storage facilities in that part of Spain.
2. Also in July, a group of 15 participants travelled to the Verona region of northern Italy for a study tour titled: Advanced Peach Production & Post Harvesting Technologies. The group included 11 farmers, two national consultants and two members of the ACED project staff from Moldova. The group visited a wide variety of sites, covering all aspects of production, harvesting and post-harvest handling of peaches, as well the experimental center Zanzi Vivai, where new varieties are being developed.
3. In August, a group of 17 participants travelled to the Cacak region of western Serbia to participate a study tour titled: Modern Plum Production Approaches and Technologies. This group included 14 plum farmers, two national consultants and one ACED staff member, and the program was organized by a former employee from the USAID Serbia Agribusiness Project (a former colleague of the current ACED CoP). The group visited a number of production and processing installations and also received a tailor made one-day training session at the Fruit Research Institute in Cacak.
4. On the 5<sup>th</sup> of August, a group of 28 participants travelled by bus to the Kahovka region of Ukraine to participate in a seminar and field day titled: Advanced Technologies for Vegetable Production put on by the local office of the Rijk Zwaan seed company. This group included 25 farmers (including five from Transnistria) and two ACED project staff members. The participants attended the technical seminar and went out on the field day visit to the Rijk Zwaan farm in the afternoon, before returning to Chisinau.
5. Also in August, a total of 10 participants (seven farmers and three ACED staff members) travelled to the Prahova district of Romania on a study tour titled: Hydroponic Vegetable Production. The participants visited a facility operated by the Lolita Company, and learned about the techniques



Moldovan Vegetable producers observing Eggplant Production during the study tour in Kahovka, Ukraine



Andrei Cumpanici from ACED stands in front of the cucumber production section of Lolita LTD on the study tour to Romania.



and methods this company uses to produce various varieties of lettuce, using hydroponic techniques, for the western European market.

During the month of July and August ACED local national consultants developed the following training materials that were distributed to HVA grower trainees during technical seminars:

1. Training materials on Peach Variety Selection, in both the Romanian and Russian languages;
2. Materials for the 3<sup>rd</sup> issue of the ACED Apple Bulletin which focused on the topics of preventing fruit falling and pre-harvesting procedures;
3. Training materials for the Field Day “Using Weather Stations in Apple Orchards”;
4. Training materials for use during the Field Day on the topic of “*Using Calcium Treatments in Table Grape Vineyards*”;
5. Training materials for use during the Field Day on the topic of “*Cover Film (Mulch) With Irrigation In Tomato Production*”.

### Sub-Activity 1.2(b): Enhance Field Demonstration Plots

The ACED project purchased equipment for eight demonstration activities in the first quarter. The ACED Team introduced SO<sub>2</sub> generating pads and forced air precooling to Moldova at two ACED demonstration activities at Norton LLC and at Famir-Com LLC.

During the second quarter ACED installed equipment for eight demonstration activity sites. Also, an additional nine demonstration activities had been developed and the environmental review process was underway.

The first Field Day Training event for 2013 was organized this in Y3Q1 on the topic of “The Installation of Improved Design Greenhouses” and this field day attracted 14 greenhouse producers from Toxobeni village.

In late May the ACED Training Team organized two producer and farmer field days at ACED demonstration sites related to (i) Energy Conservation Techniques (Double Layer Cover Film), and (ii) Cover Film (Mulch) With Irrigation In Tomato Production.



Mr. Guzun demonstrating SO<sub>2</sub> pads he used for improving the quality of stored table grapes at his company.

The ACED team met with the Mission Environmental Officer, Mr Peter Luzik from Kiev, and we discussed the issue of the need for Environmental Reviews for ACED demonstration activities.

The Training Team continued to design new Demonstration Activities that will be used by the project later in 2013 and into 2014, as well as organizing Field Day Training events that use the ACED demo activity sites as the host for these events.

The ACED Training Team also organized two additional field days in September, as follows:

1. On September 12<sup>th</sup> there was a Field Day Training event on the use of Cover Film (Mulch) with Fertigation In Tomato Production. This was in Anenii Noi, Puhăceni raion.
2. On September 20<sup>th</sup> there was a Field Day Training event to present the results of the demo activity on Greenhouse Designs with Ventilation Systems. This was in Spea.



### **ACTIVITY 3: UPGRADE THE MOLDOVAN HVA VALUE CHAIN**

The objective of Activity 3 is to identify and support entities across the HVA value chain that will drive upgrading of the value chain in order to ensure high-quality produce is efficiently transported from the farm gate to the market. Activity Three includes four sub-activities and project accomplishments in each of these sub-activities will be described in the following sections of this report.

#### Sub-Activity 1.3(a): Implement a Value Chain Support Center

ACED continued to link value chain entities with local and international BSPs. Under the VCSC umbrella, ACED shared the cost of select consulting assignments for certain initiatives that are in the strategic interest of ACED value chain clients and entities:

- With assistance from ACED, and from the EBRD BAS program, the project finalized the technical design for the cold storage facility for the company “Vulpe Ecaterina” to be located in one of the MCC CISRA command areas;
- An RfP for an investment plan was issued for the Basconserv cannery, which is located 20 km from the Leova MCC CISRA command area;
- The VCSC linked Petr Cara FF (Cahul) and Victor Cordeleanu FF (Cantemir) with cold storage experts;
- The VCSC received inquiries from several farmers regarding a variety of non-traditional business models (growing sour cherries for processing, growing hazelnuts, and small-scale bag-in-box juice production) and is currently preparing RfPs for the development of generic business plans;
- Agriest-Com, a leading stone fruit producer located within Criuleni CIS command area, has received consultancy services for the design of forced-air precooling tunnels and was linked with local precooling equipment suppliers;
- Cost-sharing agreements were signed with EvroRostAgro and Kalvil orchards, two companies from the Left Bank, for the development of strategic investment plans;

- A site visit to a modern grape and apple cold storage facility located in Pleseni, Cantemir, was organized for the management and technical staff from the Rustas company on the Left Bank;
- The VCSC continued to provide support to the Costesti table grape cold store and pack house project as the implementing partners are working to develop the implementation agreements with the Regional Development Fund. The project received high praise from French experts, the Ministry of Regional Development, and from the EU Twinning project;
- The pipeline of VCSC-supported technical assistance activities included the following ACED clients:
  1. Petru Cara FF, Petru Pascal FF and Ecaterina Vulpe Ltd (all from the Cahul rayon, table grape and stone fruit cold stores, and potential AAF applicants);
  2. Agriest-Com Ltd from Criuleni (stone fruit and apple precooler and cold store),
  3. Noptile Albe Ltd from Singerei (apple cold stores, potential applicants to the IFAD program),
  4. LGVD-Agro Ltd (table grape and stone fruit pack house with a cold store, a potential applicant to IFAD).
- ACED has co-financed the development of an investment plan for Pomul Regal Ltd, a fruit and nut grower located in Telenesti;
- ACED has co-financed the development of a business plan for a new table grape cold storage facility for Beccara Ltd in Varnita, Anenii Noi (this is a potential AAF applicant);
- ACED will also be co-financing the development of a simplified business plan for the Rovnaya FF which is located in Karmanovo, in Transnistria.
- ACED staff members offered technical assistance and linkages with improved technology suppliers to a series of companies that are planning investments in Post-Harvest Handling infrastructure development:
  1. Plaiul Birladean Ltd (addition of an apple grading line to the existing cold storage);
  2. Ionex-Trans Ltd (expansion of their table grape and fruit cold storage facility);
  3. AgroStar Ltd (installation of a forced-air pre-cooling tunnel, in Transnistria);
  4. Ceteronis-ST Ltd (development of one-layer cardboard packaging for peaches).
- Technical assistance by Ananie Pesteanu, an ACED national consultant, was offered to a series of apple growers to develop and implement fruit thinning strategies for their orchards using a mix of manual and chemical thinning methods.
- The USAID Website Governance Board has approved the formal implementation of the ACED developed VCSC/AgroCONNECT website (front page shown below). This website is the primary public face of the Value Chain Support Center (VCSC) and greatly facilitates the ability of the VCSC to identify, and assist, fruit & vegetable agribusinesses.





- An RfP for the development of economic models for 42 HVA and non-HVA crops was developed and published in July. Each economic model included an investment and crop operational budget, price data points for exports and local markets, and export/import volumes for the last three years.
- Following on the approval of the latest PERSUAP amendment, ACED subcontracted with researchers from the Agrarian University of Moldova to perform field trials of gibberellins (GA3 and GA4+7) on Table Grapes. This activity is part of the joint effort with APESM (the Table Grape Association) and L. Gobbi (a gibberellin supplier from Italy) to obtain official Moldovan registration of these key agricultural chemicals to improve the quality of table grape and apple production.



Professor Antonina Derendovschi from the Agrarian University presents the preliminary results of gibberellin testing in Moldova at the National Table Grape Forum.

## Sub-Activity 1.3(b): Improve HVA Financing, mainly through the AAF Program

The ACED sub-contractor "Expert Grup Consulting" has delivered the final draft of the "Dealing with Bankers" guide for HVA value chain entities and the draft is undergoing a final proofreading by the ACED Technical Assistance Specialist.

On December 6<sup>th</sup> the Government of Moldova approved the list of projects to be financed from the Regional Development Fund between 2013 and 2015. The approved list includes the construction of an integrated cold store/pack house facility for the Costesti Table Grape Producers and Exporters Association with a total capacity of 1860 tons. The total investment in the project is expected to include a 75% government contribution and it will cost approximately \$1.5 million.



Two ACED-supported HVA value chain entities applied for investment credits; one for \$400,000 (TG-Forest Ltd) and another for \$600,000 (Nisvinex Ltd), to build fruit and grape cold storage facilities.

Two ACED-supported HVA value chain clients applied for investment credits and both companies received bank approvals: Agro-Product Ltd (Colicauti, Briceni) received an IFAD-refinanced long-term loan of \$353,000 to establish a super-intensive orchard on 15 ha, and Romfruct Ltd (Colicauti, Briceni) received an IFAD-refinanced loan of \$353,000 to renovate the currently non-functional apple cold storage facility.

Vulpe Ecaterina SRL, a company located in the Cahul CIS command area that is owned by women, which is one of the CIS zones selected by the MCC project, began the construction of a table grape cold store based on a design developed with ACED assistance in Y3Q1.

During August 2013 the VCSC, assisted by the project's IDSPs, finalized the development of business and investment plans for Pomul Regal Ltd (a fruit and nut grower which is located in Telenesti) and Beccara Ltd (a potential table grape cold storage facility in Varnita, Anenii Noi).

#### Sub-Activity 1.3(c): Business Models for Critical HVA Value Chain Investments

For table grape value chain entities, the VCSC organized field days with the total participation of 90 growers, cold storage owners, and exporters that included the following demonstrations:

- In conjunction with Famir-Com Ltd., ACED delivered a demonstration entitled “Forced-air pre-cooling technology for table grapes” at the partner’s cold storage facility in Manta village in the Cahul district (a site close to the MCC CISRA command area);
- In conjunction with Norton Ltd., we conducted a demonstration entitled “Forced-air pre-cooling technology and SO<sub>2</sub> generating pads for improved table grape storage” at the partner’s cold storage facility in Stauceni in the municipality of Chisinau.

Both ACED-supported table grape pre-coolers were designed and built by refrigeration equipment suppliers that participated in the Cold Chain Study Tour to Turkey, which was organized by ACED and the WFLO in 2011.

The VCSC received inquiries from several farmers regarding the preparation of a variety of non-traditional business models, such as growing sour cherries for processing, growing hazelnuts, and small-scale bag-in-box juice production. ACED issued an RfP for a feasibility study on the small-scale bag-in-box juice production idea and the consulting contract with the IDSP for this assistance will be signed in April 2013.

The Value Chain team assisted Agrostar Ltd (from Transnistria) to successfully



implement a forced-air pre-cooler demonstration activity at their cold store facility just to the south of Tiraspol. A one-day seminar and demo activity Field Day July 18<sup>th</sup> attracted more than 30 participants from the Left Bank where they were able to see the forced-air pre-cooler in operation. The picture above shows some crates of freshly harvested peaches.

The ACED Value Chain Team saw an increased adoption of improved table grape packing for long-term storage based on the use of the SO<sub>2</sub>-generating pads that were introduced by ACED in 2012 through a demonstration activity organized in partnership with Norton Ltd from Stauceni. ACED has been informed that more than 40,000 pads have already been ordered by eight companies, meaning that at least 600 tons of table grapes will be stored in improved conditions this harvest season.

Over the course of 2013, ACED saw an increased use of locally manufactured cardboard to assemble the type of improved open trays increasingly being used by the exporters. After several rounds of consultations with ACED Value Chain staff, Ceteronis-ST, the largest Moldovan peach producer, exported over 700 tons of peaches in this new box to a large retailer in Belarus.



A picture of the new, improved, box type that has been used by Ceteronis-ST to export peaches to Belarus.

#### Sub-Activity 1.3(d): Association and Collaboration Among Value Chain Entities

The Moldova-Fruct Association continued to carry out the sub-contract with ACED for the preparation of an inventory of fresh apple stocks and a weekly record of EXW prices for exported apples. In mid-January, the volume of stored apples was 25% higher than estimates for the previous season at this stage, highlighting the increased cold storage capacity, but also the difficulties the sector has had in maintaining the pace of exports with the new conditions created after the Russian Federation joined the WTO.

To address the specific issues regarding the financing of PHH investments by marketing coops or other joint marketing organizations, ACED, AGROinform and the World Bank's Moldova Agricultural Competitiveness Project organized a roundtable (see picture at the right) titled "Financing Opportunities for Postharvest Infrastructure



Investments by Agricultural Producer Groups". This event had good participation from the leading Moldovan banks, microfinance institutions and IDSPs.

During the Month of May ACED formally launched the Activity 3 program titled: "Supporting the Creation of Joint Packing and Marketing Activities in Moldovan HVA Value Chains" that includes training and consultancy services to six groups of growers, and other value chain entities, as follows:

1. Stone fruit growers around Criuleni town (MCC CIS command area)

2. Table grape growers around Budesti village (Chisinau municipality)
3. Plum growers from Drochia district
4. Table growers around Bujor village (Hincesti district)
5. Table grape growers from Cimislia district
6. Walnut growers (in the North and the Center of the country)

ACED, in partnership with the Ministry of Agriculture and the Cimișlia local administration, provided financial and technical support to the Moldovan Grape Producers and Exporters Association (APESM) for the organization of the first National Forum on the Table Grape Industry in the town of Cimișlia, on September 8<sup>th</sup>, 2013. The forum was attended by an official Moldovan government delegation that included the Minister and Vice Minister from the Ministry of Agriculture,

local government officials, agricultural researchers and scientists and representatives of international projects involved in agriculture. The National Forum of Table Grape Producers & Exporters was one part of the first National Table Grape Festival, which was held in Cimislia on the same day.



**Tudor Cazac, doctor of agricultural sciences, speaks to participants regarding registered varieties of table grapes.**

In cooperation with APESM (the Table Grape Association), ACED supported the participation of a group of Moldovan table grape growers, researchers and crop advisors at the Golden Bunch of Grapes 2013 conference and exposition held in Simferopol, Ukraine in August. This activity was a complementary activity to the Table Grape Study Tour to Spain held earlier this year.



**Moldovan participants on the Ukraine Study Tour on the visit to the vineyards of the company Ukraine Orchards.**

During this reporting quarter, ACED, along with the selected subcontractors – AGROinform and Promo-Terra – continued with the implementation of the program titled: “Supporting the Creation of Joint Packing and Marketing Activities in Moldovan HVA Value Chains”. Training sessions and consultancy meetings were held with the following groups:

1. Table grape growers around Budesti village, Chisinau municipality
2. Plum growers from the Drochia district
3. Table growers around Bujor village, Hincesti district
4. Table grape growers from Cimislia district
5. Table grape growers from Cahul district
6. Walnut growers from Telenesti district



In cooperation with the Moldova-Fruct Association, ACED supported the participation of a group of Moldovan apple growers and crop advisors (including three persons from the Left-Bank) at an international workshop held in Nemirov, Ukraine. Experts from Poland, Italy and the Netherlands shared their experience in key topics for the development of a competitive apple industry in Moldova, such as fruit thinning, fertilization, mechanization of harvesting processes, and storage technologies.

#### Sub-Activity 1.3e – Attracting Foreign Investment for the Moldovan HVA Sector

Two members of the ACED team participated in the workshop titled “Republic of Moldova: Opportunities for Exporters and Foreign Investors” co-organized by MIEPO, UbiFrance and the Moldova-France Chamber of Commerce, which was held on February 28<sup>th</sup> in Bucharest, Romania. This event brought together more than 40 French companies which are currently operating in Romania and which have an interest in extending their operations to Moldova.

ACED staff provided some limited technical assistance to L. Gobbi for their efforts to officially register gibberellins in Moldova. ACED linked the Italian company with Moldovan researchers able to carry out the efficiency trials that are required as part of official product evaluation & registration procedures.

In mid-September the ACED CoP met with Mr. Ted Gillman from Crito Capital to discuss opportunities for the development of an assistance program to facilitate access to OPIC and ExIm Bank funds by Moldovan firms.

### **ACTIVITY 4: IMPROVE THE ENABLING ENVIRONMENT FOR HVA**

The objective of this Activity is to improve the competitiveness of the HVA value chain in Moldova and to increase its access to markets by creating a market-responsive policy environment. Challenges for the HVA industry include restrictive import licensing requirements and tariff protection of the domestic industry. ACED is implementing two Sub-Activities under this component of the project, as follows:

#### Sub-Activity 1.4(a): Improving the Enabling Environment for Moldovan HVA

The ACED Deputy CoP and the AID team continued their work on a Horticulture Development Program (HDP). According to the work plan created by AID and the ACED team to develop the HDP, a series of workshops and interviews with high value agriculture producers were organized during this quarter.

The ACED Deputy CoP, Dr Andrei Cumpanici, and Viorel Leahu attended the workshop on the testing and registration of plant varieties organized by the MAFI.

The ACED Deputy CoP attended a workshop on Implementing Business Enabling Environment Initiatives in Skopje, Macedonia in October. The workshop was focused on tools, challenges, and approaches for Business Enabling Environment Reform.

ACED and AID organized a workshop on the Horticulture Development Program (see image of a page presenting the horticultural situation in Moldova on the next page) at the Academy of Public Administration on February 21<sup>st</sup>. The final version of the HDP was presented to

thirty participants, including local representatives from the raion level and interested agricultural producers.

ACED signed a contract for the preparation of a Regulatory Impact Assessment (RIA) for ISPMs with the Business Research Company (BRC). On May 18<sup>th</sup>, in accord with the terms of the contract for the RIA development for International Sanitary and Phytosanitary Measures (ISPMs), ACED received and accepted the following reports:

1. A preliminary RIA (developed according to the Moldovan methodology) for Moldova's harmonization of procedures with the provisions of INSP No. 7.
2. Draft amendments to the Moldovan regulatory framework which would accomplish the harmonization of the Moldovan legislation with INSP No. 7.
3. A preliminary RIA (developed according to the Moldovan methodology) for Moldova's harmonization of procedures with the provisions of INSP No. 8.
4. Draft amendments to the Moldovan regulatory framework to harmonize it with INSP No. 8, including a draft Decision for the National Agency for Food Safety, with two annexes.

A contract for the preparation of an advocacy campaign was awarded to the Moldovan NGO AID. The objective of the advocacy campaign is to promote the adoption of regulatory changes that will relieve some of the constraints for the HVA sector that were identified by the ACED CIBER study. The specific regulatory issues to be covered are as follows:

1. Import taxes on key inputs (insulation panels, greenhouses and cardboard;
2. Poor regulation of access to water for irrigation;
3. Expensive access to the electricity grid;
4. Compulsory plant variety registration.

On May 27<sup>th</sup>, in accord with the contract for the advocacy campaign, ACED and AID organized a workshop on import taxes for key inputs (insulation panels, greenhouses and cardboard). Many representatives from important agricultural producers and processors took part in this session, including Uniagroprotect, the National Farmer Federation, AgroInform, Moldova Fruct and the Association of Table Grape Producers and Exporters.

In order to support these two sub-contractors (BRC and AID) DAI consultant Rick Ernst visited Moldova on an STTA assignment between April 9<sup>th</sup> and the 19<sup>th</sup> to actively participate in discussions related to the advocacy campaign as the second stage of the CIBER process, as well as with consultations with the contractor regarding preparation of the RIA..

A workshop on Moldova's Business Enabling Environment was organized for the group participating in the Table Grape study tour to Spain's Murcia region.

In July and August, in accord with the terms of the contract for the development of RIAs for ISPMs, ACED received and accepted the following reports:

- A preliminary RIA (developed according to Moldovan methodology) for the harmonization of Moldovan regulations with the provisions of INSP No. 12;
- Draft amendments to the Moldovan SPS regulatory framework which will serve to harmonize it with the provisions of INSP No. 12;
- A preliminary RIA (developed according to Moldovan methodology) for the harmonization of Moldovan regulations with the provisions of INSP No. 15;

- Draft amendments to the Moldovan SPS regulatory framework which will serve to harmonize it with the provisions of INSP No. 15, which also includes a draft Decision for the National Agency for Food Safety, with two annexes;
- A preliminary RIA (developed according to Moldovan methodology) for the harmonization of Moldovan regulations with the provisions of INSP No. 20 (regarding Transportation);
- Draft amendments to the Moldovan SPS regulatory framework which will serve to harmonize it with the provisions of INSP No. 20;
- A preliminary RIA (developed according to Moldovan methodology) for the harmonization of Moldovan regulations with the provisions of INSP No. 23;
- Draft amendments to the Moldovan SPS regulatory framework which will serve to harmonize it with the provisions of INSP No. 23, which includes a draft Decision for the National Agency for Food Safety with two annexes.

During the quarter DCoP organized several meetings between the BRC and Ms. Tamara Roznerita, who is the Ministry of Agriculture representative responsible for this activity. All of the materials provided to ACED by the BRC were prepared with the full collaboration and cooperation of ministry representatives.

In accord with the ACED contract with AID regarding the development of the advocacy campaign, ACED and AID organized a one-day workshop on the issue of access to water for irrigation from basins and internal lakes, and on the issue of access to national electricity grid.

The appeal on revising import taxes for key inputs for the HVA industry was signed by the participating agricultural and agribusiness associations and sent to the Ministry of Agriculture on June 20<sup>th</sup> and, on July 23<sup>rd</sup> the ministry sent a letter to the Ministry of Finance requesting that they take into consideration the producer's appeal regarding these taxes when the fiscal and budget policies for 2014 are developed. The two appeals on the issues of irrigation water and access to electricity were sent to the Ministry of Agriculture and Food Industry, the Ministry of Economy, the Ministry of Finance, the National Energy Regulatory Agency and the Agency "Apele Moldovei" on September 12<sup>th</sup>.

The ACED Deputy CoP attended a round table discussion that was organized by the Ministry of Economy on the "Roadmap for Improving the Competitiveness of Moldova."

#### Sub-Activity 1.4(b): Establish SPS Systems & Procedures to Support Exports

In October, the equipment purchased for the Moldovan phytosanitary laboratory was transferred to the lab at a special event organized by the Moldovan government, the U.S. Embassy, and USAID. This event was preceded by a series of meetings and discussions with representatives from the MAFI and the Central phytosanitary laboratories.

At the end of 2012 the ACED Deputy CoP and the ACED food safety specialist conducted several meetings at the MAFI regarding the capacity building program for the phytosanitary and customs check point inspectors as well as equipment for the phytosanitary customs check points at the border.

Constimax Ltd, a Moldovan table grape grower, received ACED technical assistance and training on implementing Global-GAP requirements for their production.

On January 29th ACED held a meeting with Mathew Brown from the EU Twinning Project regarding training needs of the phytosanitary inspectors.

A four-day training course on implementation of the GlobalGAP standard took place between February 19<sup>th</sup> and the 22<sup>nd</sup> at the Labor Instituted in Chisinau. The seminar was presented by ACED's Food Safety Specialist and the number of trainees totaled 22 participants, included seven women.

The ACED CoP and DCoP participated in several meetings with the National Food Safety Agency director, Mr. Gaberi, and agency specialists regarding building program for the phytosanitary and customs check point inspectors and the distribution of the ACED supplied equipment for the phytosanitary customs check points at the border stations.

ACED developed a proposed agenda for two-day technical training seminars for the phytosanitary field inspectors, offered by sub-contractor EuroLab SRL to:

1. Develop a comprehensive technical training course (based on the Scope of Work and the training agenda developed by ACED specialists for phytosanitary inspectors, consultants and researchers regarding harmful organisms, parasitic plants and other contaminants whose introduction to, and spread throughout, Moldova is prohibited).
2. Deliver a series of seven two-day training courses to Moldovan phytosanitary inspectors, consultants and researchers on harmful organisms, parasitic plants and other contaminants whose introduction to Moldova is prohibited.
3. Based on the conditions set in the RfP, the SPS training seminars are scheduled to be delivered on the second half of July.

The ACED SPS and Food Safety Specialist prepared a detailed and comprehensive action plan for central phytosanitary laboratory certification in the ISO 17025 standard. The purpose of this proposed activity is to increase the skills and knowledge of eight Phytosanitary Laboratory Specialists (Mycologist, Entomologist, Bacteriologist, Virologist, Nematologist, Herbologist and Molecular biology specialist - PCR) on specific methods, and the equipment used, for testing for the presence of Insects, Mites, Nematodes, Bacteria, Fungi, Viruses, Virus-like Organisms and Parasitic plants on fruits and vegetables, and on the PCR methods



Prime Minister Vlad Filat, along with American Ambassador William Moser, inspect the new equipment at the testing laboratory for the Phytosanitary Inspection System.



and protocols for meeting the requirements of laboratory accreditation schemes based on ISO 17025:2005.

ACED is also paying special attention to providing technical assistance for companies which intend to implement international standards of quality (GlobalGAP, HACCP, ISO, BRC, etc), with these specific consultations and field visits taking place:

- Two field visits were conducted at Domulterra Ltd and Vitalitifruit-Expo Ltd regarding GlobalGAP requirements;
- Two field visits were organized for the companies Ionex Trans Ltd and Plaiul Birladean Ltd regarding the proposed layouts of their Pack houses, the layouts of their cold storage facilities, and a review of their cold storage practices;
- On May 3<sup>rd</sup> and 7<sup>th</sup> two site visits regarding the implementation GlobalGAP systems were conducted by the ACED SPS and Food Safety Specialist at agricultural producers Andridor Ltd and Domulterra LTD;
- In mid-May the ACED SPS and Food Safety Specialist provided a one-day training session on the Implementation a Food Safety System based on the HACCP Principles at Ecovit LTD in the Ungheni District.

The ACED CoP and the Deputy CoP organized several meetings with National Food Safety Agency director Mr. Gaberi and some agency specialists regarding phytosanitary and customs check point inspections.

In June ACED, accompanied by representatives of the NFSA, visited several phytosanitary inspection points around the country that are responsible for the custom checks on food imports during the month.

In late July 2013 the ACED Food Safety Specialist, Andrei Cumpanici, conducted four presentations (in Pervomaisc village in the Slobozia district of Transnistria, and in Comrat, Ștefan Vodă and Cahul) regarding the quality requirements for peaches during technical seminars organized on New Peach Varieties, Harvesting & Post-Harvest Handling Processes and Pre-cooling Technologies.

On July 25<sup>th</sup> the laboratory equipment for twenty phytosanitary inspection centers was formally transferred to the National Food Safety Agency during a public event organized in Hincesti by the Moldovan Government, the US Embassy and USAID, and all of the 300 phytosanitary field inspectors received field kits and reference materials from the ACED project to assist them to carry out their inspection duties

Following on the finalization of a contract with BioLab SRL for training & mentoring assistance for the professional staff at the central SPS lab, ACED sent three Moldovan lab specialists to Romania for their individual training during the period from July 22<sup>nd</sup> to July 26<sup>th</sup>, and another group of four lab specialists were trained in Romania on July 29<sup>th</sup> to August 2<sup>nd</sup>.

## Component 2: Enterprise Development in Transnistria

### ACTIVITY 2.1: CAPACITY DEVELOPMENT OF BSPS IN TRANSNISTRIA

Under the terms of the contract for the ACED project DAI is instructed to rely primarily on local BSPs to provide training and technical assistance to Transnistrian MSMEs to upgrade their business operations. To support this effort, ACED will focus on developing BSP skills and capacities, and ACED will seek to partner local (Transnistrian) business service providers with international experts who can provide advice or training to ensure that the services meet the highest standards. The activities to be supported as part of this component fall into three broad sub-activities, as follows:

#### Sub-Activity 2.1(a): Conduct BSP Market Studies

On February 1<sup>st</sup> ACED organized a training seminar for sixteen participants titled “An Introduction to Marketing Services for BSPs” in Tiraspol in partnership with the Transnistrian BSP InvestPMR.

As a follow-up seminar, on March 14<sup>th</sup> ACED organized a training seminar on “How to Develop and Manage a BSP” which was delivered by Gary Kilmer (see photo at the right) to 21 participants.



ACED began to meet with and take a closer look at local entities in Transnistria that may be capable of providing agriculturally related business services, such as specialists at the Transnistrian Research Institute and specialists at the agricultural college and the Tiraspol university ag department, as well as local input suppliers.

On April 19<sup>th</sup> the Component Two manager, the Training Manager, and ACED’s Transnistria Coordinator met with the head of the Agriculture and Technology Department of the University in Tiraspol, Mr. Aleksander Rushchuk, for a tour of the Agricultural facility and to discuss collaboration, which he expressed interest in.

On April 26<sup>th</sup>, the Component Two Manager, the Transnistria Coordinator, and National Consultant Gavrilov met with the Director of the Tiraspol Agricultural Scientific Research Institute (NII), Dr. Dimitrii Gradinar. Dr. Gradinar was generally open to collaboration with ACED but was particularly interested in seeing whether or not ACED could help right bank project clients to gain access to their catalogue of varieties and hybrids of vegetables, melons, potatoes, and perennial herbs.

ACED also launched a holistic market research training program which includes an online introductory course, a cross-bank group attending ESOMAR events with an ACED cost share, and some practical market research training exercises with oversight from an international expert.

ACED moved forward with the planned market research capacity building program. Interested BSPs were invited to apply to take the University of Georgia online course “Principles of Market Research”, and to attend the ESOMAR Market Research Congress and Workshop “Think Big” in Istanbul between September 20<sup>th</sup> and 25<sup>th</sup>.

The ACED project continued to interact with the Tiraspol Agricultural Scientific Research Institute (NII), and with the Agricultural College Faculty, by putting the RTSPs (Regional Training Service Providers) in touch with each of them and asking the RTSPs to invite staff from both institutions to participate in the ACED training events.

Sub-Activity 2.1(b): Carry Out Business Services Gap Analysis

One strategic activity identified in the Rapid Needs Assessment was the need to conduct a gap analysis that would outline the match-up between the demand for businesses services in Transnistria and the local market’s capacity to provide those services. This Gap Assessment was designed to attract a team that would include an experienced market research company paired with a Transnistrian service provider that will implement the assessment locally and build local capacity.

Sub-Activity 2.1(c): Build BSP Capacity

Between October 24<sup>th</sup> and the 27<sup>th</sup> the Belyi Most Small Farmers’ Association participated at the Farmer Expo in Chisinau in a booth sponsored by ACED.

On November 13<sup>th</sup> the ACED Transnistrian Team presented a training seminar on business planning for BSPs in Tiraspol to 27 participants.

**ACTIVITY 2.2: SUPPORT DEVELOPMENT OF MSMES IN TRANSNISTRIA**

The objective of activity is to support the development and enhance the competitiveness of private Transnistrian micro, small and medium scale enterprises (MSMEs) in both the HVA and non-HVA value chains, which will lead to the creation of jobs and increased incomes in the region. As a corollary, this activity is designed to facilitate the integration of Transnistrian enterprises into the Moldovan economy by establishing linkages and/or relationships between left-bank and right-bank MSMEs and business service providers.

Sub-Activity 2.2a - Establish Relationships with TN Private Sector

On October 25<sup>th</sup> the CoP presented a summary of the ACED project at a seminar entitled “Doing Business with the USA” in Tiraspol.

The HACCP seminar on December 12<sup>th</sup> and 13<sup>th</sup> proved critical in demonstrating our value to the larger processing companies (which actually are medium-sized enterprises) in Transnistria.

Between January 9<sup>th</sup> and the 14<sup>th</sup> ACED organized a study tour to Poland focused on modern technology in apple production and post-harvest handling together with the Moldova Fruct association. The study tour included five (out of a total of 18 participants) participants from the Left Bank.



ACED signed Technical Assistance multi-year contracts for business plan development for the EvroRostAgro and Kalvil orchards which are located in Transnistria.

To expand the range and scale of training offered in the Transnistrian region, ACED has issued three RfPs seeking proposals from RTSPs from the Transnistrian region. ACED intends to contract RTSPs for the following activities:

- One RTSP will provide greenhouse vegetable and strawberry production trainings and organize a demo activity in Chitskani and the surrounding area;
- A second RTSP will provide greenhouse vegetable production training services and organize a demo activity in the Parcani/Ternovka area; and
- The third RTSP will provide training for tree fruit growers and additional tree fruit based demo activities across the region.

One other aspect of the Component Two activity is to foster greater cooperation and collaboration between Right Bank and Left Bank entities. During this past quarter ACED completed three cross-bank enterprise linkage activities:

- The Poland study tour between January 9<sup>th</sup> and the 14<sup>th</sup> mentioned above included five Left Bank participants, out of a total of 18 participants;
- A study tour for three managers/key decision makers from the Rustas company brought them to see cold storage operations on the Right Bank and to meet with a Moldovan cold storage service provider on February 1<sup>st</sup>;
- On March 1<sup>st</sup> Docent Manziuc, a consultant hired from the Agricultural University in Chisinau, delivered a tree pruning training session for apple and peach producers in the Pervomaisk region for 15 participants.

The ACED marketing team made two visits to Transnistria to develop the list of key marketing partners (KMP):

- In early May Alexandru Belschi, Andrea Chartock, and Natalia Murahovscaia went on a key marketing partners (KMP) evaluation trip to Agrosnab (orchards in Chitskani), EvroRostAgro (orchards in the outskirts of Tiraspol) and Agrostar (orchards and cold storage in Pervomaisk);
- In early June, ACED carried out the second key marketing partner evaluation trip in Transnistria to visit Agroalt near Camenca, Levada-Servis in Camenca, and Agrostil (in Parcan).

The ACED staff met twice with the woman-led Rovnaia family farm (with a 53 ha orchard, and a cold store under construction in the Grigoriopl raion) and Agrostar Ltd. (with 196 ha of irrigated orchards, including intensive varieties and a 1,500 ton cold store and a history of tree fruit exports to Russia, located in Slobodzia raion) to discuss technical assistance and future training activities.

ACED procured and installed the cold storage pre-cooler demo activity at the Agrostar cold store and then provided a demonstration of the equipment for regional farmers who attended the peach variety and quality standards training event.

ACED discussed the design of the “Appropriate Technology for Medium Sized Cold Storage” demonstration activity, which is expected for this October at the Rovnaia family farm.

During the first quarter of Year Three the ACED team selected a number of Key Marketing Partners (KMP) from the Left Bank to be included in the ongoing marketing linkages program of the project, which included the following visits:

- On the 2<sup>nd</sup> of July two representatives from a Kazakh company visited three of ACED's KMP companies in Transnistria: Agrosnab (Bendery), Agrostar and Levada (Camenca);
- In August ACED continued with the process of evaluating potential KMP partners by adding the company Polius Agro, the largest supplier of Chinese cabbage in Moldova, following a visit to their facility on August 6<sup>th</sup>;
- On August 14<sup>th</sup>, Lilian Cipriciuc accompanied representatives from Petyorichka Russia on a visit to companies in Transnistria to visit Polius Agro, Agrostar and Livada Servic.

#### Sub-Activity 2.2b - Provide Targeted Training and TA

On October 26<sup>th</sup> ACED staff delivered a training seminar titled "New Apple Varieties and Technologies on Apple Production and Storage" in Chisinau with the participation of more than 20 individuals from Transnistria.

On November 30<sup>th</sup> the ACED project hired a right bank consultant to deliver a technical seminar titled "Greenhouse Design for Local Conditions in Chitskani" for 21 producers.

ACED has developed, and released, RfPs for multi-year company development plans for the EvroRostAgro and Kalvil orchards.

#### Sub-Activity 2.2c - Build Economic Bridges Across the Nistru

During this quarter ACED has completed seven cross-bank enterprise linkage activities.

1. The Belyi Most farmer association from Transnistria participated with a stand at Farmer Expo 2012, as was described above;
2. On November 29<sup>th</sup> ACED invited Transnistrian apple producers to the Moldova Fruct Apple Seminar on modern apple production conducted by an international consultant. Ten of the 30 participants who attended were from Transnistria.
3. The Kolomichenko family farm was introduced to several Chisinau supermarkets and they brought in samples of their Chinese cabbage.
4. On December 5<sup>th</sup> ACED invited apple producers to a Moldova Fruct training seminar on weather stations that was held the ACED conference room. Transnistrian participants expressed interest in establishing their own weather stations.
5. On December 17<sup>th</sup> ACED invited apple and stone fruit producers to a Moldova Fruct seminar in Chisinau on preparing apples for cold storage.
6. During the Farmer Expo in Chisinau ACED brought two presenters from the right bank to its offices to conduct a seminar for apple producers. The group then toured the Farmer Expo.
7. Kalvil joined the association Moldova Fruct after ACED introduced them to each other by email with a follow-up phone call.

### III. CROSS-CUTTING ACTIVITIES

#### GENDER & MARGINAL GROUPS

Based on the data collected during project implementation, women represented 37% of the total first-time participants in ACED's producer training sessions this quarter, as well as 25% of the study tour participants. This number dropped to 26% in the second quarter and finished near 40% in the final two quarters.

ACED contracted with three regional organizations for the implementation of Phase One of the women's network development activity: AGROInform for the Northern and Central regions, Contact-Cahul for the Southern region, and the Association of Women from Gagauzia for the Gagauzian region. Their assignment, in each of the regions, includes the following tasks:

- Identify and compile a directory of women who own and/or manage businesses in the region/s they cover;
- Learn about women's needs, interests, and preferences regarding their personal and professional growth by inviting them to participate in round table discussions,
- Set up a platform to allow these women to network effectively; and
- Develop an action plan for network development considering women's needs and interests.

All contractors compiled databases with contact information for women in agriculture from the targeted regions. In addition, round tables were conducted in Comrat on December 7<sup>th</sup> and in Hincesti on December 11<sup>th</sup>. Over 30 women who either own or manage an agricultural business from those and neighboring raions attended each event. Women were given group exercises to discuss, and to share needs, preferences, and ideas as well as to think of some activities that might help them most in their professional growth. They expressed interest in product budgeting; initiating mentoring activities; inviting experts in topics such as legal issues, taxation, exporting; and in growing new crops such as berries.

In January, ACED partner organizations contracted for this activity continued organizing roundtables in their regions (see photo at the right of the Round Table in Orhei, Central Region), which targeted women who own or manage farms or agricultural businesses. The average participation in these roundtables during the quarter was 25 participants.



In February and March, the regional NAGs held two meetings. The photo below to the right is of the Southern group meeting, which met in Chisinau in March. The first NAG gathering focused on creating

mission statements and general concepts on how to proceed in developing regional networks, and the second get-together was designed to work out regional action plans for the networks to get them functioning.

On April 24<sup>th</sup>, the ACED Gender Specialist participated in a brainstorming session with the initiative group for the 3<sup>rd</sup> Annual Forum of Women Leaders from the Rural Areas, scheduled for the end of October along with the Soros Foundation, AGROInform and the Partnership Center for Development.



In mid-May, ACED supported a group of 17 berry producers to participate in the international conference “Berries of Ukraine-2013” which was held in Mykolaiv, Ukraine. There were producers from both the right and left banks of the Nistru, as well as four women representing the WAN’s from the North, Center, South and Gagauzia.

On May 23<sup>rd</sup>, a seminar on “Strawberry Production Technologies - Spring Operations” was organized in Chitchani, Transnistria. Ten female strawberry producers of the Gagauzian WAN attended this event.

On July 23<sup>rd</sup>, the ACED Gender Specialist co-organized a women’s training event with MCC and MCA. The local MCC office had brought out Leslie Tucker, an American expert in communications for a series of workshops and training events related to the implementation of the Moldova compact.

The ACED Gender Specialist developed the scope of work for Phase II of the Women in Agriculture (WAN) activity. In the last quarter ACED reviewed and agreed to the budgets submitted by the service providers that will assist ACED in implementing the WAN activity. The ACED project expects that as many as 30 women from the regional networks will apply, and attend, this important national event and that at least 80 women from the rural areas of Moldova will participate.

## **ENVIRONMENTAL COMPLIANCE**

The ACED project received USAID approval for the first amendment to the project’s PERSUAP that covers pesticides, a series of plant growth regulators for apples, and an IPM plan for a new crop: strawberries. The second amendment was also approved and covers pesticides and IPM plans for peaches, sweet peppers, early potatoes, garlic, and pears. A third amendment was approved in August for a list of new pesticides.

Two demonstration post-harvest activities were ongoing: “Demonstration of Forced-air Cooling Technology” at Famir-Com LTD in Manta; and “Demonstration of Combined use of Forced-air Cooling and Box Liners with SO<sub>2</sub> Generating Pads to Improve Quality and Shelf-life of Stored Table Grapes” at Norton LTD in Stauceni.

ACED received USAID approval for several Environmental Reviews and their corresponding EMMPs. These included one for greenhouse demonstration activities on “Energy Conservation Techniques” at Emilia Bazi Family Farm, and another for “Cover Film with Irrigation” at the Grigore Fuior and Burlac Ion Family Farms.

ACED continued the preparation and implementation of nine greenhouse demonstration activities. During this period the ACED Environmental Specialist met with three demonstration activity partners to explain the environmental requirements included in the EMMP for each demonstration site, and she made a visit to one of the partners implementing a greenhouse demonstration activity (in Taxobeni village, Falesti district).

Two Environmental Reviews, one on “Using Frostbuster Technology for Frost Protection in Apple Production” and a second on “Using Weather Stations and New Cultivars in an Apple Orchard”, were prepared and submitted to USAID for approval.

During this quarter ACED completed the National Horticultural Development Program (HDP) and this incorporated comments from participants in the HDP working group, and those provided by the ACED Environmental Specialist. A Memorandum of Understanding was prepared, and signed, with the ACED partner regarding following the rules on the safe use of the Frostbuster technology before, and during, presentations to seminar participants.

Over the course of Year Three the ACED project (Apr '13 to Mar '14) plans to provide some limited support for training and demonstration activities related to the use of Gibberellic Acids for the treatment of table grapes, sweet cherries and apples.

A comprehensive pesticide use guide, for fruit and vegetable producers, was prepared and published in two languages: Russian and Romanian.

On April 5<sup>th</sup> the Mission Environmental Officer visited the ACED office and one of the ACED demonstration sites to discuss environmental compliance was discussed. As a result, it was decided that not all production demonstration activities will need an Environmental Review.

The environmental specialist prepared a checklist for six demonstration activities, filled in by the ACED RTSPs and then processed by the environmental specialist.

Since ACED has to follow the environmental requirements stipulated in ACED PERSUAP, a series of training materials were reviewed by environmental specialist:

- Training materials and presentations for Weather Station Management;
- Sweet Cherry production training materials;
- Chemical thinning training materials and presentation;
- Strawberry training materials for Transnistria seminar;
- Production Training for Apples. Session 3.
- Training materials for Strawberry Production Technologies - Spring Operations seminar;
- Training materials for Peach Green Operations and Manual Thinning seminar;
- Training materials for Indeterminate Tomato Growth and Proper Fertilization seminar;



- Training materials for Sweet Cherry Varieties and Harvesting and Post-Harvest Process, Pre-cooling Technologies seminar.

In order to comply with USAID environmental regulations, ACED has included environmental requirements in a series of procurement and/or administrative documents:

- SoW for Chemical Thinning;
- RfP for three demonstration activities;
- MoU with Agrogen Ltd;
- MoU with Association of Farmers of Transnistria “White Bridge” to implement “Strawberry Cultivation Technologies (Seasonal and Remontant Varieties, Row Beds Formation and Mulching)” Demonstration Activity;
- MoU with “Domulterra” LTD to implement “Using Weather Station and New Cultivars in Apple Orchard” Demonstration Activity;
- Purchase Order for Frostbuster procurement;
- Purchase Order for row forming and mulching machine.

During the month of July key ACED staff (the CoP, the DCoP, the Environmental Specialist and the Training & Value Chain Specialists) met with USAID’s Regional Environmental Advisor (William Gibson) and the Mission Environmental Officer (Peter Luzik) at the ACED offices to discuss outstanding issues regarding environmental compliance on the part of the ACED project, and a number of follow-up actions were proposed. Following the groups went on a short visit to the central phytosanitary lab where they were able to observe the new equipment that the ACED project had donated to the lab.

During the month of August the ACED Environmental Specialist worked on preparing the environmental sections of the following documents:

- An MoU with “Terravitis” LTD to implement the production demonstration activity “Using Fertilization and Gable Vine Formation in a Table Grape Vineyard”.
- An MoU with “Amonti Agro” LTD to implement the production demonstration activity “Plastic Buckets for Sweet Cherry Harvesting”.
- An MoU with “Vrabii” II to implement the production demonstration activity “Plastic Buckets for Plum Harvesting”.
- Preparation of a contract with a local service provider for the testing of Gibberilic Acids for use on table grapes in Moldova.
- The development of an RfP seeking service providers who can prepare a Cucumber Production Guide for Moldova.
- Environmental review of the Scopes of Work for the five sub-contracts that will be signed for the development of the regional women’s networks.
- Environmental review of procurement documents which the technical team and the administrative team requested.

On September 4<sup>th</sup> and 5<sup>th</sup> the Environmental Specialist attended a workshop on “Pesticide Authorization & Principles of Risk Assessment” organized by the EU funded Twinning Project titled “Support to Moldova in the Field of Norms and Standards in Food Safety for Plant Origin Products”.

In the final quarter the Environmental Specialist also provided assistance to the other elements of the ACED project via the following activities:

- Implementation of production and post-harvest demonstration activities - Checking for environmental compliance;
- Reviewing and editing a comprehensive guide on the Safe Use of Pesticides (following COR approval);
- The list of ACED pesticides was updated and translated into Russian. This will be printed up for distribution at ACED seminars and put on the project web site;
- Supporting the ACED technical and admin teams in reviewing environmental concerns and addressing them by implementation of USAID environmental requirements;
- Checking the ACED training materials to be sure they are in accordance with USAID environmental requirements;
- Checking administrative documentation (tender bids, RfPs, POs, TOs, SoWs) for compliance with USAID environmental requirements.

## **IV. DONOR COORDINATION**

The coordination of ACED program elements with those of other donors is clearly important if maximum development impact is to be achieved. With this objective in mind, ACED initiated early-on contact with many of the other international programs to ensure that the ACED activities would be complementary with other donor activities underway to assist Moldovan agriculture. Based on these initial contacts the ACED project determined that the most important organizations for future collaboration would be the MCA, the World Bank, IFAD and CBI, the Dutch government's Center for the Development of Imports from Developing Countries. Others would include the UNDP, CNFA, and the Peace Corps. Some of the recurring events:

- Several meetings during this year were held with Matthew Brown and his teams of experts from the EU Twinning Project, mainly to discuss collaboration and prevent duplication of activities. Topics included the computerization process for the Moldovan phytosanitary control system, the training needs assessment for phytosanitary inspectors, and safety training related to pesticide use.
- In January and April the ACED CoP and the Deputy CoP participated in the Agricultural Project donor coordination meeting hosted by USAID and attended by agricultural and agribusiness organizations working in Moldova. In September the ACED project hosted this meeting.
- The first joint coordination meeting between the ACED project and MCC/MCA occurred in January and second meeting occurred in June.
- ACED, in collaboration with the UNDP Aid for Trade Project, is continuing with the joint planning and support for Moldova booths at future international trade shows, including the booth and materials used at the World Food Moscow show in September.
- On May 29<sup>th</sup> the ACED CoP organized the first of what became a monthly event: the Monthly CoP Lunch, which gave several Chiefs of Party time to explore opportunities for collaboration and cooperation and to discuss issues of common concern. Lunches also took place every month from June to September and included various other Chiefs of Party from local projects.
- The ACED supported VCSC is continuing to provide technical assistance in the area of financial plan, and loan application, development. This includes a number of clients that are potential applicants for the AAF program and for the IFAD financing program, as follows:
  1. Petru Cara FF, Petru Pascal FF and Ecaterina Vulpe Ltd (all from the Cahul raion, table grape and stone fruit coldstores) are potential AAF applicants.
  2. Romfruct from Colicauti, Briceni and Noptile Albe Ltd from Singerei (apple coldstores) are all potential applicants to the IFAD program.
  3. LGVD-Agro Ltd (table grape and stone fruit packhouse with a coldstore) is a potential applicant to the IFAD program.
  4. Agro-Product Ltd from Colicauti, Briceni (a super-intensive apple orchard) is a potential applicant to the IFAD program.
  5. ACED, AGROinform and the World Bank Agricultural Competitiveness Project organized a roundtable on "Financing Opportunities for Postharvest Infrastructure Investments by Agricultural Producer Groups", with the participation of leading Moldovan banks, microfinance institutions and IDSPs.

The following are some specific highlighted events, by month:

- ACED Phytosanitary Specialist Andrei Cumpanici and the ACED Deputy CoP held a meeting at the Central Phytosanitary Laboratory with MCC Deputy Vice President James Parks as well as representatives from the U.S. Embassy and the MCA. The ACED Deputy CoP attended a round table discussion with Mr. Parks along with representatives of ACSA and IFAD regarding the evolution of the agricultural sector in Moldova over the past 15 years.
- In January the CoP, the Deputy CoP and the Value Chain Specialist met with key staff from the new World Bank Agricultural Competitiveness project at their office. This meeting led to collaborative activities such as the Round Table for bankers on new investment opportunities in post-harvest facilities for HVA.
- In the same month the CoP and the Component 2 Lead met with Wicher SLAGTER, the new EU Director, to discuss the situation in Transnistria and to learn from our experience with implementing activities on the Left Bank. The Component 2 Lead participated in the EU conference on EU-Moldova trade relations for Transnistrian based companies in February.
- ACED, in collaboration with the UNDP Aid for Trade Project, organized the first ever Moldova booth at the Fruit Logistica trade show in Berlin in February. The design of the booth, and the brochure that was prepared for the show, were jointly financed by ACED and Aid for Trade, and these items set the tone and style for all future international exhibits supported by the ACED project.
- On February 13th the ACED Deputy CoP held a meeting with Constanta Popescu, the Deputy CoP for the BRITE Project to discuss potential collaboration between the in the business-enabling environment.
- The ACED project, and the HDP sub-contractor AID, organized a workshop on the Moldova Horticulture Development Program at the Academy of Public Administration on February 21<sup>st</sup>.
- The Deputy CoP attended a roundtable discussion organized by the European Business Association with buyers and/or exporters of walnuts, fresh fruit and vegetables on March 5<sup>th</sup>. The main subject of discussion was legal procedures for the acquisition of agricultural products (walnuts, fresh fruit and vegetables) from individuals.
- In late April, the ACED CoP and the Deputy CoP, accompanied by the project's USAID COR, participated in a donor meeting called by the Mr Gaberi, the head of the new Moldovan Food Safety Agency to review current donor commitments to the NSFA, and to identify additional resources that could be used to assist the NSFA to implement its full development plan.
- On April 30<sup>th</sup>, the ACED CoP and the Deputy CoP participated in the launch event for CEED Moldova (Center for Entrepreneurship & Executive Development), which establishes a mentoring program for young Moldovan entrepreneurs and may attract entrepreneurs who are involved in agriculture, in particular HVA production.
- On May 31<sup>st</sup> the ACED CoP, along with Peter White and Tom Tjerandsen, met with Doug Griffith, the CoP for the USAID financed CEED II project. The purpose of the meeting was to discuss CEED II's assistance to the wine industry.
- On June 6<sup>th</sup> the ACED CoP, along with Andrea Chartock and Natalia Murahovsca, participated in the Transnistrian International Investors Forum in Tiraspol which was organized by the Transnistrian Chamber of Commerce and Industry.

- On June 7<sup>th</sup> the ACED CoP participated in a meeting at the USAID Mission to discuss the issue of land consolidation in Moldova. During the meeting Mr Mika-Petteri Torhonen, a Senior Land Policy Specialist from the World Bank in Washington, presented information on an on-going land use study the Bank is undertaking.
- On June 18<sup>th</sup> the ACED CoP met with Elizabeth Markovic from Winrock International at the ACED office. Elizabeth came in to present the privately funded activities in Moldova that Winrock is implementing, such as the Moldova Micro-Enterprise Development Activity (MEDA) and the ADVANCE project which works with rural women.
- During the week of the 10<sup>th</sup> of June, ACED Gender Specialist Elena Brinza and the CoP met with Michael Schieder, head of the Mission in Moldova for People in Need. PIN was recently awarded a grant from the USAID Mission for an assistance program targeted at rural women and potential collaboration was discussed.
- On July 2<sup>nd</sup> the ACED CoP, accompanied by Andrea Chartock and Viorel Leahu, joined the ACED COR at the MCC office in Chisinau for a discussion with Forrest McKennie and Cynthia Berning from MCC Washington on the issue of sustainability.
- On Tuesday July 9<sup>th</sup> the ACED CoP and Andrea Chartock participated in a meeting at the USAID office organized for two World Bank Washington staff who were out in Moldova looking into the prospects of launching bank funded activities in Transnistria.
- The ACED project provided support to the MCC office in Moldova for the organization of a one-day (July 23<sup>rd</sup>) seminar on leadership for rural women who are prospective members of the "Women in Agriculture" Networks that the ACED project is supporting.
- ACED provided support to the USAID Mission, the US Embassy, and the MCC office in Moldova on the organization of a phytosanitary event that took place in Hincesti on July 25<sup>th</sup>. The event saw participation by the American Ambassador, the new Moldovan Prime Minister (Iurie Leanca), and the Deputy Minister of Agriculture.
- On Friday July 26<sup>th</sup>, ACED hosted the USAID Bureau Environmental Officer, William Gibson, and the Mission Environmental Officer, Peter Luzik, at the ACED office to review some outstanding issues related to the project's compliance with USAID environmental regulations.
- On August 1<sup>st</sup> the ACED CoP participated in a CNFA Farmer-to-Farmer (FtF) close-out event at the Maximova Research Institute. This event focused on assistance the FtF project provided to the dairy industry over the lifetime of the project in Moldova. Three former FtF volunteers were on hand to make presentations, and the CoP had a chance to meet them and speak with them about their experiences here in Moldova.
- On Friday, the 2<sup>nd</sup> of August, the ACED CoP and Andrea Chartock participated in a meeting at the USAID office with visiting MCC Washington staff Jolyne Sanjak, Deputy Vice President for Technical Services, and Jonathan Brooks, Managing Director for EAPLA.
- On August 6<sup>th</sup>, the ACED CoP had an informal meeting with the MCC Deputy Director in Moldova to discuss the general ideas and concepts related to the planning for the training and technical assistance program that the ACED project will provide for farmers in the MCC supported CIS Zones.



- On August 30<sup>th</sup> the CoP and the Deputy CoP met with Mr Mark Le Seelleur, a consultant with GFA Consulting Group that is implementing the Economic Support for Rural Areas Project funded by the European Union Delegation to the Republic of Moldova.
- At the end of August the ACED project received the draft report from the two consultants hired by ACED to conduct the assignment to assess the best options for crops and products suitable for the lower Prut CIS zones (Cahul and Chircan-Zarnesti). On the 4<sup>th</sup> of September the two consultants presented a more detailed overview of their findings and recommendations to representatives from MCC, MCA USAID and the ACED project.
- On the 5<sup>th</sup> of September, the ACED CoP, along with Rodica Miron from USAID met with two representatives from the newly established CEED Grow program, a mentorship program for young entrepreneurs in Moldova.
- On the 6<sup>th</sup> of September the ACED CoP and Deputy CoP met with the OIG team that was in Moldova to review the implementation of the MCC Compact.
- The ACED CoP, along with many of the Moldovan ACED staff, participated at the CNFA final close-out event held in Chisinau on September 12<sup>th</sup>.
- On September 13<sup>th</sup> the CoP, along with Andrea Chartock and Elena Brinza met with Andrei Stratulat and Eugenia Ganea from MCA to review the progress and status of the ACED Gender Program.
- On September 15<sup>th</sup> the ACED CoP collaborated with USAID's CEED II project by participating as a model on Moldova's annual Fall Fashion Walk. The Minister of Agriculture Vasile Bumacov and the American Ambassador to Moldova, William Moser joined the CoP in this effort. The picture at the right shows the Minister (on the left) with the CoP on their practice walk down the catwalk for the show.
- On the 16<sup>th</sup> of September the CoP met with Ted Gillman, of Crito Capital, and Sergiu Bulbas of Mobias Banca, to discuss opportunities for accessing OPIC, or other international development agency, funding for the development of the agricultural and agribusiness sectors in Moldova.



## V. LESSONS LEARNED

The ACED project has now arrived at the halfway point in the lifetime of the project, and the staff and clients of the project have learned much from the intensive level of activities and events over the past 30 months. While the level of activity was high during the second year of the project (Apr '12 to Mar '13) the level has only increased as the project launched the third year (Apr '13 to Mar '14) of implementation. A high level of activity will continue throughout years three and four, with a gradual tapering off of the level of activities occurring during the fifth and final year of the project. Based on the experience to date, the ACED project management and the technical staff have collected the following items as the "Lessons Learned" from the first two and a half years of the project:

- Moldovan HVA producers need to continue to diversify the markets they sell their products into, and adopt a greater sense of urgency for this goal. The recent ban on wine imports into Russia, the threat of a ban on fruit imports and the increasing role of supermarkets in the Russian market will only put more pressure on Moldovan producers and make it harder to use the old, traditional, market channels.
- Related to this, producers need to re-double their efforts to improve quality and packaging so they can become more competitive in international markets. Sorting, grading, packaging and presentation of their products are still a weak point for Moldovan producers and this is a key element needed to improve competitiveness.
- Moldovan HVA producers will need to continue to participate in international trade fairs following the end of the ACED project, to maintain the momentum in these markets that has been developed over the past two and a half years. Some mechanism will need to be identified, or developed, that will allow the Moldovan producers to come together as a group and jointly display their products at these key shows.

This process will continue for the balance of the project, as additional studies and assessments are completed. All project staff will need to maintain an open mind, and an inquisitive spirit, to continue to learn and use their new knowledge for future project implementation.

Project management will need to continue to promote and foster a greater sense of team work and internal collaboration to make sure the project achieves the impact that it has the potential for. As with any large project, with multiple components and activities, it is easy for staff to become wrapped up in their own sub-program and miss out on potential internal collaboration that could have an important leveraging effect. Continuing weekly meetings, and fostering a greater casual and informal communication process in the office will be key to addressing this.

The ACED Project will also need to continue to seek out, and develop, other collaborative and cooperative relationships with donors and international projects. The development of the links with the UNDP Aid for Trade project is a good case in point. While the UNDP project is relatively small, both ACED and the UNDP can leverage their impact by joining forces and achieve a greater impact on a combined basis than individually. There are most likely other opportunities such as this that already exist, or that will come about in the future.

As is true with any development project, the management and staff of the ACED project need to remain flexible and creative to take advantage of unexpected opportunities that come about from time to time. The appearance of a new potential client organization, new methods of promoting Moldova and Moldovan producers and new, perhaps now previously considered, market opportunities should be given due consideration and follow up on if warranted.